



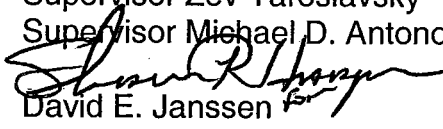
County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

October 13, 2004

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: 
David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

WASHINGTON D.C. UPDATE

On October 11, 2004, Congress recessed and will return the week of November 15th to try to complete its legislative business for the year. When Congress reconvenes, it plans to complete action on the nine remaining Federal Fiscal Year (FFY) 2005 appropriations bills, including the Commerce/Justice/State, Labor/Health and Human Services/Education, Veterans Affairs/Housing and Urban Development, Energy and Water, and Transportation appropriations bills. These appropriations bills are likely to be combined into a single omnibus appropriations bill. Before both houses recessed, Congress acted on a number of bills of interest to the County, as discussed below:

FFY 2005 Homeland Security Appropriations Bill

Congress adopted the conference report (H. Rpt. 108-774) for the FFY 2005 Homeland Security appropriations bill (H.R. 4567; sending it to the President for his signature. The conference version significantly reduces funding for state formula grant programs that provide a disproportionately high share of funds to small-population states while increasing funding for Urban Area Security Initiative (UASI) grants that are targeted at high-threat areas:

--State Homeland Security Grants were cut from \$1.69 billion in FFY 2004 to \$1.1 billion in FFY 2005;

--Law Enforcement Terrorism Prevention Grants were cut from \$497 million to \$400 million;

--UASI High-Threat Urban Area Grants were increased from \$671 million to \$900 million;

--UASI Rail and Transit Security Grants were increased from \$50 million to \$150 million; and

--UASI Port Security Grants were increased from \$124 million to \$150 million.

The conference report also includes \$180 million (\$1 million increase) for Emergency Management Performance Grants and \$715 million (\$31 million decrease) for Firefighting Assistance Grants.

Defense Base Closures

Conferees to the FFY 2005 Defense authorization legislation (H.R. 4200) have rejected the House's provision to delay the Base Realignment and Closure (BRAC) process for two years until 2007. Consequently, the process to determine which military bases should be closed, will begin next year. Of interest to the County is the status of the Los Angeles Air Force Base/Space and Missile Systems Center (LAAFB). Senator Feinstein earlier had sent a letter to Senators Warner (R-VA) and Levin (D-MI), the respective Chair and Ranking Member of the Senate Armed Services Committee, urging them to reverse their opposition to the delay. The Administration also opposed delaying the BRAC process. Both houses adopted the conference report to H.R. 4200, which now goes to the President, who is expected to sign the bill.

Pursuit of County Positions on Legislation

Allocation of Homeland Security Grant Funds: Last week, the House and Senate passed very different bills (H.R. 10; S. 2845) to reform the nation's intelligence system, both of which include language that would change how homeland security grant funds are allocated to state and local governments. The House bill contains language modified from H.R. 3266 (Cox, R-CA), the Faster and Smarter Funding for First Responders Act of 2004, which would allow regions as well as states to apply and receive direct funding, and which would allocate funds using factors, such as terrorist threat levels, risks, and critical infrastructure. The bill would reduce the current small state minimum funding guarantee from 0.75% of total funding to 0.25% except that any state that has a "significant" international border or that is "adjoining a body of water within North America through which an international boundary line extends", would receive at least 0.45% of funding.

Under the Senate version, each state would be provided a minimum floor equal to 0.75% of total funding or its per capita share of 38.625% of total funding, whichever is greater. After funds are allocated to provide each state its minimum funding floor, the remaining funds would be allocated using factors that would result in each state

receiving additional funds. Such factors would include having a "substantial" percentage of its population living in metropolitan areas, which can have as few as 50,000 residents, having at least one key asset identified in a state homeland security plan, and having an international border or coastline bordering the Pacific Ocean, Atlantic Ocean, or Gulf of Mexico. In addition, up to 10.8% of total homeland security grant appropriations would be authorized for a new Large High Threat State Fund, which would be available to states that together account for over two-thirds of the total U.S. population. The Senate bill also would designate that 25% of total homeland security appropriations be awarded through Urban Area Security Initiative (UASI) grants.

California and Los Angeles County are likely to receive a significantly higher percentage share of total funding under the House bill than either current law or the Senate bill. This is because the House bill would allocate a far greater share of total funding based on terrorist threat levels, risk, and critical infrastructure, and reduce the percentage share of total funding allocated to the 16 states, which have less than 0.75% of the total U.S. population. The Senate provision, which allocates only 25% of total homeland security appropriations through UASI also hurts California because the State receives a far greater share of total UASI funding (20%) than under state formula grants (8%).

The Senate has named its conferees, but neither California senator will serve on the conference. The House has not yet appointed its conferees.

Based on policies in the Federal Legislative Agenda adopted by your Board on January 20, 2004 to support proposals which would more effectively target homeland security funds based on relative need, population, and threat levels, the County's Washington advocates will urge that conferees adopt the House language on how homeland security funds are to be allocated. In addition, based on policies in the Federal Legislative Agenda adopted by your Board on January 20, 2004 to support the direct allocation or pass-through of homeland security funds to counties, the Washington advocates will urge support for language that allows regions, including the County, to apply directly for homeland security grants.

CALFED Reauthorization Bill: Congress has adopted a six-year, \$389 million reauthorization bill for the CALFED Bay-Delta water project (H.R. 2828). The bill will implement a plan to restore the Sacramento-San Joaquin Bay Delta ecosystem, as well as improve statewide water supply, flood control, and water quality. The original authorization of the program expired in 2000 (P.L. 104-208). The compromise bill obtained the bipartisan support of the California Congressional delegation. H.R. 2828 now goes to the President, who is expected to sign it.

Based on policies in the Federal Legislative Agenda adopted by your Board on January 20, 2004 to support proposals which would improve the reliability, quality, and security of water supplies for Los Angeles County, the County's Washington advocates and Department of Public Works supported H.R. 2828. In a May 17, 2002 Washington update, your Board previously was advised that the County was supporting CALFED reauthorization legislation based on existing Board policies.

Runaway Film Productions: The House and Senate have adopted the conference report to H.R. 4520, the American Jobs Creation Act. Commonly known as the corporate tax bill, the measure contains a provision providing \$336 million in tax deductions to companies producing movies and television shows within the U.S. The President is expected to sign this bill into law.

Based on policy adopted by your Board on June 22, 2004 to support legislation that curbs runaway film production to foreign countries by providing better tax treatment to companies that make films in the U.S., the County's Washington advocates supported the inclusion of this provision in H.R. 4520.

Mentally Ill Offender Treatment and Crime Reduction Act: Before recessing, the House and Senate adopted legislation (S. 1194) to authorize \$50 million for FFYs 2005 and 2006 for grants to state and local governments to expand mental health courts and activities which target services to non-violent offenders who have a mental illness. The measure now goes to the President, who is expected to sign it.

Based on policies in the Federal Legislative Agenda adopted by your Board on January 20, 2004 to support proposals that make mental health intervention a component of law enforcement and the administration of justice, including training law enforcement personnel in dealing with the mentally ill, and support funding for mental health courts, the County's Washington advocates supported this legislation. The Department of Mental Health and the Sheriff also have been supportive of this bill.

We will continue to keep you advised.

DEJ:GK
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c: Executive Officer, Board of Supervisors
County Counsel
All Department Heads
Legislative Strategist